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# Consumer behaviour of rural shoppers towards nominated FMCG products in Himachal Pradesh, India

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**Abstract**--Consumer behaviour and its extensive knowledge has been a backbone of the marketing strategy of every firm, a comprehensive and inclusive study of all its aspects become authoritative for the success of an organisation. The main purpose of this paper is to identify rural shopper's behavior in Himachal Pradesh, India. Quantitative approach was applied and Self-administered questionnaire was used to collect data from 550 rural shoppers. Chi square goodness to fit test is used for analysis of data. Exploration on the subject found that rural people are aware about FMCG and before consumption they acquire prior knowledge about the product. Brand is preferred over price by the rural customers. Likewise, rural customers purchases the product according to their need. This study delivers important insights for market segmentation, marketing managers and policy makers.

**Keywords**--Consumer Behaviour, Rural people, Goodness to fit, FMCG, Brand.

## 1 Introduction

Consumer is the ultimate power who decides any company plans future and success (Bhardwaj, 2012) . Consumer behaviour and its comprehensive study have been a backbone of every firm's marketing strategy, and a comprehensive and inclusive study of all components has been authoritative for an organization's success. (Hasan, 2012). In the marketing of fast-moving consumer items, consumer behaviour is crucial. Several variables contribute to this behaviour.

Customers' requirements and aspirations in the current era of globalisation are at odds with the passage of time.(Vibhuti, Tyagi, & Pandey, 2014). Consumer behaviour theorists typically feel that their ideas can be applied worldwide, although consumers' preferences and tastes are impacted by their cultural background. (Akir & Othman, 2014). Moreover, the study of consumer behaviour encompasses not just the motivation for purchasing, but also the consumer's overall consumption process (Katiyar & Katiyar, 2014). The consumer packaged goods (CPG) sector, often known as the fast moving consumer goods (FMCG) industry, is primarily responsible for the creation, acquisition, and promotion of consumer packaged goods. (Sisodiya & Sharma, 2018) . Furthermore, more than half of the world's population is impoverished and lives on a low income. Obviously, these people's purchasing power cannot compare to that of the wealthy, but it is the deprived combined purchasing power that allows them to represent a significant purchasing power. (Kumar, Vohra, & Dangi, 2017).

India's rural economy is a driving factor in the country's economic development. It is the zone that generates nearly half of the country's national income, with two-thirds of the country's one billion consumers. (Avinash ,Pareek, 2013) . However, the growing Indian population, particularly in the middle and rural segments, provides an opportunity for branded product manufacturers to convert consumers to branded items. (Katiyar & Katiyar, 2014). Since 1950, India has been focusing on rural development, preparing it to become a major rural market. The rural marketing landscape in the country has been influenced by increased awareness and income levels.(Ali, Ram, Thumiki, & Khan, 1929). The FMCG business has been successful in selling items to lower and moderate income groups all over the world, and India is no exception. Today, middle-class households account for over 70% of sales, with rural India accounting for over 50%.(Raj & Mano, 2007) . Furthermore, rural consumers are typically a homogeneous population with comparable needs, economic conditions, and issues. In contrast to press, film, radio, and other urban oriented broadcasting exposure, rural markets can be worked using a different media environment.(ChandraSekhar, 2012). Despite the fact that many studies on consumer behaviour have been conducted, there is a paucity of research on rural populations. As a result, the paper's main focus is on the behaviour of rural customers in Himachal Pradesh, India, when it comes to selected FMCG products.

## **2 Review of literature**

(Mizerski, Golden, & Kernan, 1979) conducted a formal investigation on the process of attribution in consumer decision-making The descriptive model defines attribution as a process involving consumer decision-making. The attribution theory of decision-making is divided into three categories: person perception, self-perception, and object perception, according to the authors. Measures of confidence, internal attributions, external attributions, and both internal and external casual attributions were among the four types of attributions studied by the researchers. (Sun & Wu, 2004) Consumer habits in China's urban and rural areas were investigated. Rural customers are more price conscious, according to researchers, and local community leaders tend to influence rural consumers' spending patterns. Researchers discovered that friends are the most common

partners in the rural community, and that rural customers have little faith in mainstream media advertising. Rural customers also adopt rural consumers' consumption tendencies, according to researchers. Stavkova, Stejskal and Toufarova (2008) examined the elements that influence customer behaviour. The article's main goal was to investigate how consumers are affected by various elements that influence buying decisions. According to the analysts' survey, product attributes and perceived quality are the most important factors influencing commodity purchases.

(Chikweche, Stanton, & Fletcher, 2012) examined decision making process of bottom of pyramid consumers. Researchers main aim was to study that decision making of bottom of pyramid customers is heterogeneous, dynamic and an evolving process. Researchers moreover established children had vital role in decision making in urban areas and adult children sported their families in rural urban and rural groups so they had majority share in decision making. Daud (2013) examined the perception of the rural consumers towards FMCG products and attributes of the brand preference to buy FMCG products. The researcher analysed that both literate and illiterate prefer branded FMCG and brand awareness of FMCG is increasing among rural people. Investigators further found that now people are more educated in rural areas and on selection of the brand there is no specification of gender, age and education qualification. (Srivastava, 2013) studied the factors affecting the buying behaviour of the lower income groups towards the FMCG products in Khora region which falls under Ghaziabad metropolitan area of Uttar Pradesh. The researchers found that in the reliability factor that brand loyalty was the most important variable followed by reliance on private companies. Furthermore, it was found in promotion factor free offers constituted the major factor for buying and quality formed the most significant factor in product factor. The researchers also found lifestyle variable had the prime consideration in social factor and price was prime variable in the economic factor. (Alamelu, Surulivel, Cresenta Shakila Motha, Amudha, & Selvabaskar, 2016) observed the factors that influence the purchase of fake FMCG in Madurai district of Tamil Nadu. Five factors conviction, appeal, reflection, promotion and product considered by researchers to understand the consumer behaviour. Investigators found that appeal and product are not influencing overall purchase of fake FMCG products. Analyst furthermore concluded that in urban areas conviction and appeal influence purchase behaviour towards fake FMCG products and in rural areas conviction and promotion influence consumer to buy fake FMCG products.

(Asha & Merlin Thanga Joy, 2016) examined the attitude of rural consumers towards FMCG products. Researchers concluded from the study that brand name and price plays an important role in purchasing decision of the rural folks. Investigators found from analysis that rural consumers buy FMCG for its medical value by these statement investigators concluded that rural folks are health conscious. Investigators also concluded that rural consumers are brand loyal and advertisement with celebrities makes the consumers to buy a particular brand. (Gopiseti & Linganna, 2017) examined the factors that influence the consumers to buy FMCG (personal care) products and brand preference of rural and urban consumers towards personal care. It was found in the study by researchers that people up to the age of 40 years were much concentrating on personal care

products and most of the people prefer branded FMCG products this may indicate the increasing level of literacy. Investigators found television to be the most influential factor that influenced the consumers buying behaviour followed by quality and brand of the product.

### **3 Objectives of the study**

#### *3.1 General objective*

To identify the consumer behaviour of Rural shoppers towards nominated FMCG products in Himachal Pradesh, India.

#### *3.2 Specific objective*

1. To determine the demographic profile of the respondents.
2. To analyze goodness to fit model
3. To assess the type of FMCG products rural shoppers prefer.

### **4. Research Methodology**

The study included both secondary and primary sources of data. The secondary sources of data were based on a literature evaluation in order to establish a theoretical framework and to separate what the existing research described or discovered about the issue in the current study. For primary sources of data self-administered questionnaire was developed. The pilot study was done on 40 respondents to ensure its validity. Five FMCG product were selected for the study namely toothpaste, shampoo, soap, face cream and hair oil. Study is carried out in Himachal Pradesh, India. Data for the study was collected from 12 districts in Himachal Pradesh from rural settlements. Sample for the study was computed using the formula:

$$N = \frac{N}{1 + Ne^2}$$

n= sample size

N= Total population size

E= Margin of error preferred

$$N = \frac{61,76,050}{1 + 61,76,050 \times 0.04^2} = 625$$

The information was gathered using a multistage proportionate sampling technique. Only 550 replies were suitable for analysis out of 625 disseminated and collected questionnaires. Using SPSS 20.0, the data was analysed.

### **5. Analysis**

#### *5.1 Socio-economic profile of respondents*

The indulgent of the socio-economic characteristics of the subject underneath study helps to understand the phenomenon under study in a more comprehensive way. The main reason for analysing the socio-economic outline of

respondents was to understand their background as it plays a vital role in defining the consumer's preferences and their purchase behaviour. Keeping in view the information on age, gender, annual income, period of stay in rural area, education background, occupation, nature of family, marital status, number of members in family and family members below eighteen years of age. Overhead cited information about the respondents was analysed and results are summarized beneath:

Table 1  
Demographic profile of respondents

Demographics of respondents			
Particulars		Frequency	Percentage
Age	18 – 31	103	18.7%
	32 – 46	335	60.9%
	47 – 60	94	17.1%
	61+	18	3.3%
Gender	Male	278	50.5%
	Female	272	49.5%
Annual income	0 - 224999	365	66.4%
	225000 - 449999	178	32.4%
	450000 - 674999	6	1.1%
Period of stay in rural areas	675000+	1	.2%
	1-2 years	1	.2%
	3-4 years	2	.4%
	5-6 years	1	.2%
	More than 6 years	546	99.3%
Education	Below 10th	84	15.3%
	10th	149	27.1%
	12th	198	36.0%
	Graduation	85	15.5%
Background	Post-graduation	5	.9%
	Informal education	29	5.3%
	Agriculturists	236	42.9%
Occupation	Government employee	38	6.9%
	Business owner	66	12.0%
	House maker	123	22.4%
	Student	23	4.2%
Nature of family	Others	64	11.6%
	Joint family	149	27.1%
	Nuclear family	401	72.9%
Marital status	Single	42	7.6%
	Married	494	89.8%
	Divorced	2	.4%
Number of members in family	Widowed	12	2.2%
	2-4	139	25.3%
	5-6	247	44.9%
	7-8	130	23.6%
	Above 8	34	6.2%

Family members	None	101	18.4%
below 18 years of age	1-2	331	60.2%
	3-4	95	17.3%
	More than 4	23	4.2%
	8 – 13	107	19.5%
Immediacy from town in Kms.	14 - 18	180	32.7%
	19 - 24	232	42.2%
	25+	31	5.6%

Table 1 shows more than 60 % of total respondents were in the age group between 32-46 years, followed by those in the age group between 18-31 years (18.7%), subsequently 17.1% of respondents were of age between 47-60 years. But only 3.3% of respondents were above 61 years of age. Out of total of 550 respondents 50.5% were males and 49.5% of respondents were females. More than 66% of respondent's annual income was less than 2,25,000, followed by respondents whose annual income was between 225000 – 449999 (32.4%), But annual income of respondents between 450000 – 674999 and above 675000 was almost negligible in our study. Moreover, utmost defendants were living in rural areas for more than 6 years and even less than 1% of respondents were not living in rural communities for period of less than 6 years.

36% of respondents were 12<sup>th</sup> pass, followed by respondents whose education qualification was matriculation (27.1%), graduates and respondents who were qualified below 10<sup>th</sup> were almost same 15.5% and 15.1% respectively, 5% of total respondents did not get any formal education and only .9% respondents were post graduates. Maximum of respondents were agriculturists (42.9%), followed by 22.4% females who were homemakers, 12% of respondents were business owners, minimum number of respondents were government employees (6.9%) and students (4.2 %). However, 11.6% of respondents indulged in other activities as occupation to sustain themselves. Most respondents were living in nuclear families (72.9%) and only 27.1% were living in joint families. As per marital status of respondent's percentage of married (89.8%) people was much more than single (7.6%), divorced (0.4%) and widowed (2.2%). More than 44% respondents lived in family of 5-6 members, followed by 25.3% who lived in family of 2-4 members, 23.6 % of respondents lived in family of 7-8 members but only 6.2% people lived in family of more than 8 members. 60.2% of respondents had 1-2 family members below age of 18 years, 18.4 %- of respondents had none family member below age of 18 years, 17.3% of respondents had 3-4 family members below 18 years of age and only 4.2% respondents had family members more than 4 who were below 18 years of age. Moreover, if we discourse around proximity to township maximum distance of respondent's house from town was about 19-24 kilometre i.e. 42.2%. Furthermore, 32.7% respondents lived in proximity of 14-18 kilometres and 32.7% respondents lived in immediacy of 8-13 kilometres from township. Besides, merely 5.6% residents lived in proximity of more than 25 kilometres from township.

### *5.2 Type of FMCG products respondents prefer*

The prompt flow of information across all consumer segments is because of evolution of communication and mobile technology. Rural consumers now are lot

more discriminatory in their choice of merchandises and amenities and preferences. Nowadays most rural consumers are brand conscious but scarce amount continue to buy unbranded products.

Table 2  
Type of FMCG Respondents prefer

Type of FMCG	Frequency	Percent	Valid Percent	Cumulative Percent
Branded	485	88.2%	88.2%	88.2%
Un branded	65	11.8%	11.8%	100.0%
Total	550	100.0%	100.0%	

Table 2 Shows that 485 of the 550 respondents (88.2%) utilise branded FMCG products, whereas only 65 (11.8%) use unbranded FMCG products. This study shows that customers in rural markets are becoming brand conscious and prefer to purchase branded FMCG products.

**Ha- There is a significant difference among proportion of observed frequency compared to expected frequency of branded and unbranded products by rural consumers**

Table 3  
Observed and Expected Frequency

	Observed N	Expected N	Residual
Branded	485	275.0	210.0
Un branded	65	275.0	-210.0
Total	550		

The chi square goodness of fit test makes the assumption that the predicted frequency for each cell must be larger than 5. Because the anticipated frequency for each cell in this table is greater than 5, we can proceed to the chi square goodness of fit test.

Table 4  
Test Statistics

	What type of personal care you prefer?
Chi-Square	320.727 <sup>a</sup>
Df	1
Asymp. Sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 275.0.

Our alternate hypothesis is approved, as shown in table 4 by the chi square goodness to fit test results of 320.727 (significance value 0.05). It states that there is a considerable difference in acceptance of branded and unbranded items by rural customers in favour of fmcg products, as measured by observed frequency

relative to expected frequency. Our alternative hypothesis is approved because the significance value is.000, which is less than 0.05 with 95% confidence.

### 5.3 How respondents search information preceding the purchase of FMCG?

Consumers always base their purchasing decisions on a quest for information. The hunt for information can be internal or external. Internal information search might be based on previous consumer experiences with a product, but external information search can be done in a variety of methods. The following table 5 shows how rural respondents get information prior to making an FMCG buy.

Table 5  
Information Search of Respondents

Source of Information search for respondents	Responses	
	N	Percent
1. Radio	12	1.2%
2. Television	396	38.7%
3. Newspaper	177	17.3%
4. Relatives	11	1.1%
5. Friends and Family	132	12.9%
6. Social media	65	6.4%
7. Shopkeeper/ retailer	104	10.2%
8. Internet	81	7.9%
9. Others	1	0.1%
10. None of the above	44	4.3%

Table 5 demonstrates how respondents search information preceding the purchase of FMCG, However, according to this table, the majority of respondents (396, or 38.7%) use television to look for information. Following television, newspaper is used by 177 respondents (17.3%) as a source of information. In third place, 12.9 percent of rural individuals, or 132, buy FMCG based on recommendations from friends and relatives. As a result, 104 and 81 respondents, or 10.2 percent and 7.9 percent, respectively, use merchant recommendations and the internet for information search. Radio, relative preference, and social media are not preferred by rural people while looking for information, with 1.2 percent, 1.1 percent, and 6.4 percent, respectively. Furthermore, 44 respondents (4.3%) did not use any of the afro-mentioned tools to get information prior to purchasing FMCG products.

**Ha- There is a significant difference among proportion of observed frequency compared to expected frequency of information search by rural consumers preceding purchase of fmcg**

Table 6  
Observed and Expected frequency

1. Radio			
No	Observed N	Expected N	Residual
	538	275.0	263.0



Yes	12	275.0	-263.0
Total	550		
		2. Television	
	Observed N	Expected N	Residual
No	154	275.0	121.0
Yes	396	275.0	-121.0
Total	550		
		3. Newspaper	
	Observed N	Expected N	Residual
No	373	275.0	98.0
Yes	177	275.0	-98.0
Total	550		
		4. Relatives	
	Observed N	Expected N	Residual
No	539	275.0	264.0
Yes	11	275.0	-264.0
Total	550		
		5. Friends and Family	
	Observed N	Expected N	Residual
No	418	275.0	143.0
Yes	132	275.0	-143.0
Total	550		
		6. Social media	
	Observed N	Expected N	Residual
No	485	275.0	210.0
Yes	65	275.0	-210.0
Total	550		
		7. Shopkeeper / Retailer	
	Observed N	Expected N	Residual
No	446	275.0	171.0
Yes	81	275.0	-171.0
Total	550		
		8. Internet	
	Observed N	Expected N	Residual
No	469	275.0	194.0
Yes	81	275.0	-194.0
Total	550		
		9. Others	
	Observed N	Expected N	Residual
No	549	275.0	274.0
Yes	1	275.0	-274.0
Total	550		
		10. None of the above	
	Observed N	Expected N	Residual
No	506	275.0	231.0
Yes	44	275.0	-231.0
Total	550		

The anticipated frequency for each cell must be larger than 5 in the chi square goodness of fit test. We can apply the chi square test because the anticipated frequency for each cell is larger than 5.

Table 7  
Test Statistics

	1. Radio	2. Television	3. Newspaper	4. Relatives	5. Friends and Family
Chi-Square	503.047 <sup>a</sup>	106.480 <sup>a</sup>	69.847 <sup>a</sup>	506.880 <sup>a</sup>	148.720 <sup>a</sup>
Df	1	1	1	1	1
Asymp. Sig.	.000	.000	.000	.000	.000
a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 275.0.					
	6. Social media	7. Shopkeeper/retailer	8. Internet	9. Others	10. None of the above
Chi-Square	320.727 <sup>a</sup>	212.662 <sup>a</sup>	273.716 <sup>a</sup>	546.007 <sup>a</sup>	388.080 <sup>a</sup>
Df	1	1	1	1	1
Asymp. Sig.	.000	.000	.000	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 275.0.

The subsequent table 7 indicates the chi square goodness to fit test statistics (significance value < 0.05) shows our alternate hypothesis is accepted. It specifies that there is a significant difference among proportion of observed frequency compared to expected frequency of information search by rural consumers preceding purchase of fmcg. Our alternate hypothesis is accepted since significance value is .000 which is less than 0.05 at 95% confidence level.

#### 5.4 Place from where respondents buy FMCG products

The table below illustrates where rural people acquire FMCG products. Rural people can buy FMCG from businesses in their hamlet, surrounding towns, and cities, as well as consumer products from anyplace they are available. Rural consumers may also opt to buy FMCG through network marketing.

Table 8  
Place to Buy FMCG

Place from where FMCG is brought	Responses	
	N	Percent
1. Shop in village	332	45.2%
2. Shop in nearby town	210	28.6%
3. Shop in city	186	25.3%
4. From anywhere it is available	4	0.5%
5. Network marketing	2	0.3%

Table 8 shows that the majority of rural customers buy FMCG from shops in their home village (45.2%), followed by shops in surrounding towns (28.6%). Furthermore, the figure shows that 25.3 percent of rural people buy FMCG from city stores. However, only 0.5 percent of rural residents buy FMCG from anyplace it is sold, and only 0.2 percent buy from network marketing.

**Ha- There is a significant difference among proportion of observed frequency compared to expected frequency between the places from where rural consumers buy fmcg**

Table 9  
Observed and Expected Frequency

1. Shop in village			
	Observed N	Expected N	Residual
No	218	275.0	-57.0
Yes	332	275.0	57.0
Total	550		
2. Shop in nearby town			
	Observed N	Expected N	Residual
No	340	275.0	65.0
Yes	210	275.0	-65.0
Total	500		
3. Shop in city			
	Observed N	Expected N	Residual
No	363	275.0	88.0
Yes	187	275.0	88.0
Total	550		
4. From anywhere it is available			
	Observed N	Expected N	Residual
No	546	275.0	271.0
Yes	4	275.0	-271.0
Total	550		
5. Online			
	Observed N	Expected N	Residual
No	550	275.0	0
Yes	0	275.0	0
Total	550		
6. Network marketing			
	Observed N	Expected N	Residual
No	548	275.0	273.0
Yes	2	275.0	-273.0
Total	550		
7. Any other			
	Observed N	Expected N	Residual
No	0	275.0	0
Yes	0	275.0	0
Total	550		

The chi square goodness of fit test makes the assumption that the predicted frequency for each cell must be larger than 5. Because the anticipated frequency for each cell in this table is larger than 5, we can do the chi square test.

Table 10  
Test Statistics

	1. Shop in village	2. Shop in nearby town	3. Shop in city	4. From anywhere it is available	5. Network marketing
Chi-Square	23.629 <sup>a</sup>	30.727 <sup>a</sup>	56.320 <sup>a</sup>	534.116 <sup>a</sup>	542.029 <sup>a</sup>
Df	1	1	1	1	1
Asymp. Sig.	.000	.000	.000	.000	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 275.0.

The following table 10 discloses the chi square goodness to fit test statistics (significance value < 0.05) shows our alternate hypothesis is accepted. It specifies that there is a significant difference among proportion of observed frequency compared to expected frequency between the places from where rural consumers buy fmCG. Our alternate hypothesis is accepted since significance value is .000 which is less than 0.05 at 95% confidence level.

### 5.5 How often respondents buy FMCG products

FMCG refers to things that are used on a daily basis by the average customer and are swapped or completely used up in a matter of days, weeks, or months, and within a year. (Vibhuti et al., 2014).

Table 11  
How Often Respondents buy FMCG

How often buy FMCG	Responses	
	N	Percent
1. Weekly	48	6.8%
2. Fortnightly	106	15.0%
3. Monthly	313	44.4%
4. According to need	238	33.8%

Table 11 exhibits how often rural consumers buy FMCG products. Rural individuals mostly buy monthly stock of consumer goods i.e. 44.4%. However, 33.8% of rural consumers buy consumer goods according to need and 15% individuals buy consumer goods fortnightly. Moreover, only 6.8% rural individuals buy consumer goods weekly.

**Ha- There is a significant difference among proportion of observed frequency compared to expected frequency between how often rural consumers buy fmcg**

Table 12  
Observed and Expected Frequency

1. Weekly			
	Observed N	Expected N	Residual
No	502	275.0	227.0
Yes	48	275.0	-227.0
Total	550		
2. Fortnightly			
	Observed N	Expected N	Residual
No	444	275.0	169.0
Yes	106	275.0	-169.0
Total	500		
3. Monthly			
	Observed N	Expected N	Residual
No	237	275.0	-38.0
Yes	313	275.0	38.0
Total	550		
4. After 2 months			
	Observed N	Expected N	Residual
No	550	275.0	0
Yes	0	275.0	0
Total	550		
5. Yearly			
	Observed N	Expected N	Residual
No	550	275.0	0
Yes	0	275.0	0
Total	550		
6. According to need			
	Observed N	Expected N	Residual
No	312	275.0	37.0
Yes	238	275.0	-37.0
Total	550		

There is an assumption in chi square goodness to fit test that expected frequency for every cell must be greater than 5. This table shows that expected frequency for every cell is greater than 5, therefore we can proceed to use chi square test.

Table 13  
Test Statistics

	1. Weekly	2. Fortnightly	3. Monthly	4. According to need
Chi-Square	374.756 <sup>a</sup>	207.716 <sup>a</sup>	10.502 <sup>a</sup>	9.956 <sup>a</sup>
Df	1	1	1	1
Asymp. Sig.	.000	.000	.001	.002

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 275.0.

Table 13 reveals the chi square goodness to fit test statistics (significance value < 0.05) shows our alternate hypothesis is accepted. It specifies that there is a significant difference between among proportion of observed frequency compared to expected frequency between how often rural consumers buy fmcg. Our alternate hypothesis is accepted since significance value is .000 which is less than 0.05 at 95% confidence level.

### 5.6 Respondents purchase of FMCG

Customers are becoming increasingly capable of avoiding or avoiding traditional media marketing, and as a result, consumer marketing has seen significant increases in resources at customer-packed merchandises. Due to the potential for additional earnings for both venders and manufacturers, unplanned consumptions are a significant result of shopper marketing; as a result, in-store decision making has seen an additional increase.(Gilbride, Inman, & Stilley, 2015).

Table 14  
Respondents Purchase of FMCG

Purchase of FMCG	Frequency	Percent	Valid Percent	Cumulative Percent
Planned	217	39.5%	39.5%	39.5%
Unplanned	333	60.5%	60.5%	100.0%
Total	550	100.0%	100.0%	

Table 14 depicts respondents' FMCG purchases as planned or unplanned. The majority of rural customers' FMCG purchases are unplanned (60.5%, or 333 out of 550 respondents). Furthermore, just 217 (or 39.5 percent) of respondents said they planned to buy something.

### **Ha- There is a significant difference among propotion of observed frequency compared to expected frequency between how rural consumers buy FMCG**

Table 15  
Observed and Expected Frequency

	Observed N	Expected N	Residual
Planned	217	275.0	-58.0
Unplanned	333	275.0	58.0
Total	550		

There is an assumption in chi square goodness to fit test that expected frequency for every cell must be greater than 5. This table shows that expected frequency for every cell is greater than 5, therefore we can proceed to use chi square test.

Table 16  
Test Statistics

	Purchase for FMCG
Chi-Square	24.465 <sup>a</sup>
Df	1
Asymp. Sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 275.0

Table 16 reveals the chi square goodness to fit test statistics is 24.465 (significance value < 0.05) shows our alternate hypothesis is accepted. It specifies that there is significant difference among proportion of observed frequency compared to expected frequency between how rural consumers buy fmcg. Our alternate hypothesis is accepted since significance value is .000 which is less than 0.05 at 95% confidence level.

## 6. Conclusion

The main purpose of this paper is to identify rural shopper's behavior in Himachal Pradesh, India. Quantitative approach was applied and Self-administered questionnaire was used to collect data. The majority of the respondents fall under age group of 32-46, annual income of respondents is up to 2,25,000, most respondents have been living in rural area for more than 6 years and most of the respondents are educated. Moreover, goodness to fit model is fit in the study. Lastly, rural shoppers mostly buy branded products. This study delivers important insights for market segmentation, marketing managers and policy makers. For further research, the impact of psychological, sociocultural, economic, demographic, and personal characteristics on consumer buying behaviour, a cross-country research of emerging nation can be carried. For generalizability of the findings, data might be collected for bigger sample sizes.

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